

April 21, 2016

Colette Easter
Department of Conservation and Natural Resources
Division of Water Resources
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701

Via email

Dear Ms. Easter:

Singatse Peak Services is in receipt of two letters dated January 20, 2016 from the Nevada Division of Water Resources (NDWR). I note that we received different letters under the same date, one referencing the Yerington Mill (NV00144) Sulfide Tailings and one referencing Yerington Mill (NV00200) Evaporation Ponds and Pump Back Ponds. During our conversations and meetings, we discussed the complications regarding the site and the facilities mentioned in the letters from the Division. The features at the site which are the subject of your letters pre-date SPS's ownership of the site. The US Environmental Protection Agency (USEPA) has jurisdiction over the site and those very features. The features are a legacy from the historical mine operations and the responsibility of Atlantic Richfield Company.

When I received your letters, I contacted the USEPA for guidance regarding your requested actions. The USEPA has spoken with NDEP and Atlantic Richfield Company (ARC) to determine how best to proceed. The person with whom I have communicated regarding this issue is Dave Seter whose telephone number is 415-972-3250. The person at NDEP with whom we work most closely on matters regarding the site is Greg Lovato whose telephone number is 775-687-9373.

In correspondence from Mr. Seter, I was informed that EPA, NDEP, and ARC had reviewed the information provided by NDWR with the goal of coming up with a recommended plan of action. For the longer term actions USEPA suggested that a meeting amongst the parties and NDWR would be in order whereby USEPA can explain the Superfund project and evaluate how that fits in with NDWR's needs.

SPS is not at liberty to make plans for the features referenced in your letters and requires additional input from the USEPA and NDEP as described above. SPS will try to obtain additional information from Mr. Seter regarding this matter. I also welcome your efforts to communicate directly with Mr. Seter and Mr. Lovato.

Sincerely,


Taurus Massey

Cc: Dave Seter, EPA
Greg Lovato, NDEP
Jeryl Gardner, NDEP